

**Idaho Board of Health and Welfare
Minutes
November 20, 2008**

The Board of Health and Welfare convened at:

Owyhee Plaza Hotel
1109 Main Street
Boise, Idaho

Board Members Present

Richard Roberge, M.D., Chairman
Richard Armstrong, Secretary
Dan Fuchs
Quane Kenyon
Darrell Kerby
Stephen Weeg
Representative Sharon Block

Staff Present

Drew Hall, Deputy Director, Family and Welfare Services
Richard Schultz, Deputy Director, Health Services
David Taylor, Deputy Director, Support Services
Jeanne Goodenough, Deputy Attorney General
Tamara Prisock, Human Resources Program Manager
Tom Shanahan, Public Information Manager
Elsie Boyd, Executive Assistant to the Director
Shirley Alexander, Child Protection Program Manager
Lorraine Clayton, Early Care and Learning Coordinator
Leslie Clement, Medicaid Administrator
Bethany Gadzinski, Substance Use Disorder Bureau Chief
Cameron Gilliland, Family and Community Services Bureau Chief
Chuck Halligan, Children's Mental Health Program Manager
Rob Luce, Deputy Attorney General
Michele Osmond, Regional Director, Region 7
Brent Porges, Residential Licensing Unit Program Manager
Gina Westcott, Mental Health Program Manager, Region 4
Heather Wheeler, Community Services Support Administrator

Others Present

Russell Duke, Central District Health Department Director
Shelly Hinz, Hope House, Inc.
Rob Howarth, Central District Health Department
Ronald Lowery, Hope House, Inc.
Dale Peck, Panhandle Health District
Lindsay Russell, Office of the Governor
Donnalee Velen, Hope House, Inc.

CALL TO ORDER

Following proper notice in accordance with Idaho Code Section 67-2343 and pursuant to call by the Chairman, the meeting of the Idaho Board of Health and Welfare was called to order by Dr. Richard Roberge, Chairman of the Board, at 8:15 a.m. Thursday, November 20, 2008, at the Owyhee Plaza Hotel, 1109 Main Street, at Boise.

ROLL CALL

Richard Armstrong, Secretary, called the roll. Roll call showed seven members present. Absent and excused—Janet Penfold, Tom Stroschein, Senator Patti Anne Lodge, and Sara Stover. With five voting members present, Chairman Roberge declared a quorum.

PUBLIC COMMENT PERIOD

Chairman Roberge opened the floor for public comment. There being none, the Board advanced to the next order of business.

ADOPTION OF BOARD MINUTES FROM THE MEETING HELD SEPTEMBER 12, 2008

Motion: Quane Kenyon moved for adoption of the minutes of the meeting held September 12, 2008.

Second: Dan Fuchs

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg--5
Nays: None

Motion carried.

CONFIRMATION OF DREW HALL, DEPUTY DIRECTOR FOR FAMILY AND WELFARE SERVICES

Drew Hall was presented to the Board as Deputy Director for Family and Welfare Services. Mr. Hall retired in August 2008 as Director of Benefits Administration at Blue Cross of Idaho, where he was employed since 1973. He was appointed to the position of Deputy Director due to his proven expertise in operational performance management, personnel management and his innovative ability in systems improvement, problem solving, and his ability to manage working teams.

Motion: Quane Kenyon moved that the Idaho Board of Health and Welfare confirm the appointment of Drew Hall as Deputy Director of Family and Welfare Services, Department of Health and Welfare.

Second: Dan Fuchs

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

CONFIRMATION OF MICHELE OSMOND, REGIONAL DIRECTOR FOR THE DEPARTMENT OF HEALTH AND WELFARE, REGION 7

Michele Osmond was presented to the Board as Regional Director for the Department of Health and Welfare, Region 7. Ms. Osmond holds a Masters of Counseling, Marriage and Family, and is a licensed Clinical Professional Counselor and National Board Certified Counselor. She has been employed at the Department since 2004 as a Clinical Supervisor for Region 7. Ms. Osmond is dedicated to the continued growth of community sponsorship and is currently focused on a gap analysis with rural communities.

Motion: Stephen Weeg moved that the Idaho Board of Health and Welfare confirm the appointment of Michele Osmond as Regional Director for the Department of Health and Welfare, Region 7.

Second: Quane Kenyon

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

2009 RULE SUMMARIES FOR 2009 LEGISLATIVE SESSION

A summary of rules being presented to the 2009 Idaho Legislature was provided.

RULES GOVERNING CONTESTED CASE PROCEEDINGS AND DECLARATORY RULINGS, DOCKET NO. 16-0503-0801(PENDING)

A new administrative review option for child protection cases is being added to align with changes being proposed in IDAPA 16.06.01, "Rules Governing Family and Children's Services." As requested by the Legislature, this will provide for a review process prior to a person's name being entered into the Child Protection Central Registry.

A new administrative review option is being added for Intensive behavior Intervention (IBI) to provide an option for informal resolution of disputes related to certification, billing, or reimbursement.

A new appeal process is being added that is specific to the Infant Toddler Program. This process will better ensure that the federal due process requirements under the "Individuals with Disabilities Education Act" (IDEA) are being followed for the Infant Toddler Program.

The chapter is also being updated to reflect recent changes in terminology, practice, and statute, including:

1. Revisions to the sections at the beginning of the chapter required by the Office of Administrative Rules;
2. Revisions to Board provisions, including changing the number of days an appellant has to file a petition for a Board review to 14 days (same as a Director review) and adding a provision that allows the Board chair to determine whether the Board needs a transcript of a hearing on which they are going to hear oral argument;
3. Clarification that a Medicaid review conference must be held within 28 days of the request for an administrative review (in such a conference the disputing parties clarify and attempt to resolve the issues of contention). This provision prevents appellants from making lengthy delays in the administrative review process; and
4. Addition of other minor clarifications and corrections to existing text.

Motion: Darrell Kerby moved that the Idaho Board of Health and Welfare adopt as pending, the "Rules Governing Contested Case Proceedings and Declaratory Rulings," as presented in the final proposal under Docket No. 16-0503-0801, with the rules becoming final and effective at the conclusion of the 2009 Legislative Session.

Second: Quane Kenyon

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

RULES GOVERNING FAMILY AND CHILDREN'S SERVICES, DOCKET NO. 16-0601-0801
(PENDING)

The following changes were made to this chapter of rules:

1. The 2008 Legislature passed rule changes related to the revamped Child Protection Central Registry, but expressed some concerns. This docket makes changes that address those concerns, including clarification of due process language, replacement of references to what "a reasonable person would conclude" with more objective "evidence-based" language, and other changes to clarify the intent of the rule.
2. The rules for children's mental health services were deleted from this chapter and moved into new chapter IDAPA 16.07.37, "Children's Mental Health Services," under Docket No. 16-0737-0801.
3. The rules regarding federally-funded adoption and foster care assistance (Title IV-E) were updated to align with recent changes to the federal statutes that govern this program.
4. The rules regarding adoption were updated to reflect recent streamlining and decentralization of the Department's adoption process.
5. Finally, the title of the chapter was amended to: "Child and Family Services.": Other minor corrections and revisions were made to the rule to assure consistent use of terminology and to comply with the Department's plain language standards.

Motion: Stephen Weeg moved that the Idaho Board of Health and Welfare adopt as pending, the "Rules Governing Family and Children's Services," as presented in the final proposal under Docket No. 16-0601-0801, with the rules becoming final and effective at the conclusion of the 2009 Legislative Session.

Second: Dan Fuchs

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

RULES GOVERNING STANDARDS FOR CHILD CARE LICENSING, DOCKET NO. 16-0602-0801
(PENDING)

To better ensure the health and safety of children under the Department's care and authority, these rules are being revised to reflect current policy and practices in child care licensing standards for child care agencies and facilities. Changes are being made to address a variety of needs including:

1. Aligning rules with the Children's Behavioral Health rules;
2. Removal of obsolete and unenforceable language and using plain language guidelines;
3. Updating rules to reflect current standards for child health and safety trends and best practices for: client, staff, and financial records; service plans; safety for building, fire and hazardous toxins; strip searches and non-violent physical intervention and mechanical restraint; continued care and transitional living; transportation; and outdoor therapeutic program and expeditions; and
4. Addition of enforcement language to ensure processes provides protection for the health and safety of children in the care of organizations licensed by the Department.

Motion: Quane Kenyon moved that the Idaho Board of Health and Welfare adopt as pending, the "Rules Governing Standards for Child Care Licensing," as presented in the final proposal under Docket No. 16-0602-0801, with the rules becoming final at the conclusion of the 2009 Legislative Session and effective on July 1, 2009.

Second: Darrell Kerby

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

RULES GOVERNING STANDARDS FOR CHILD CARE LICENSING, DOCKET NO. 16-0602-0802
(PENDING)

To help assure the health and safety of children across the state, the Department has established standards for day care licensing and certification. These standards are being amended to clarify the application, inspection, and criminal history fees charged for licensing. Obsolete language is also being deleted.

This rulemaking increases the fee to employees of child care licensee applicants, volunteers, household members, and others who have unsupervised direct contact with children in a day care who are required to have a criminal history and background check through the Department. Each individual required to complete a criminal history and background check will pay an extra \$10 with the exception of the initial licensee applicant.

Motion: Daniel Fuchs moved that the Idaho Board of Health and Welfare adopt as pending, the "Rules Governing Standards for Child Care Licensing," as presented in the final proposal under Docket No. 16-0602-0802, with the rules becoming final at the conclusion of the 2009 Legislative Session and effective on July 1, 2009.

Second: Quane Kenyon

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

BEHAVIORAL HEALTH SLIDING FEE SCHEDULES, DOCKET NO. 16-0701-0801 (PENDING)

This new chapter of rules will update the sliding fee scales to conform to the most current version of the federal poverty guidelines and brings the fee schedules for the adult mental health, children's mental health, and substance use disorders programs under this chapter of rules.

Motion: Stephen Weeg moved that the Idaho Board of Health and Welfare adopt as pending, the rules for "Behavioral Health Sliding Fee Schedules," as presented in the final proposal under Docket No. 16-0701-0801, with the rules becoming final and effective at the conclusion of the 2009 Legislative Session.

Second: Daniel Fuchs

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

ALCOHOL AND SUBSTANCE USE DISORDER SERVICES, DOCKET NO. 16-0717-0801 (PENDING)

This chapter defines the scope of voluntary Alcohol and Substance Use Disorders services and describes the eligibility criteria, application requirements, individualized treatment plan, selection of providers, and appeal process under these rules. Currently, there is no formal appeal process in rule for adults or adolescents seeking services from the Department. This rulemaking will provide this benefit and outline how to appeal a denial of services decision made by the Department.

Motion: Quane Kenyon moved that the Idaho Board of Health and Welfare adopt as pending, the rules for "Alcohol and Substance Use Disorder Services," as presented in the final proposal under Docket No. 16-0717-0801, with the rules becoming final and effective at the conclusion of the 2009 Legislative Session.

Second: Stephen Weeg

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

RULES AND MINIMUM STANDARDS FOR NON-HOSPITAL MEDICALLY MONITORED DETOXIFICATION/MENTAL HEALTH DIVERSION UNITS, DOCKET NO. 16-0750-0901 (TEMPORARY)

A need has been identified for a medically-monitored detoxification/mental health facility; one is being constructed in Idaho. Currently, there are no standards in Administrative Code for approving this new type of facility to better assure the safety of the public. The Department has written a new chapter of rules for the minimum design and construction requirements for a medically-monitored detoxification/mental health diversion unit. The standards of care and services will be added to this new chapter at a later date.

Motion: Darrell Kerby moved that the Idaho Board of Health and Welfare adopt the "Temporary" rules for "Rules and Minimum Standards for Non-Hospital Medically Monitored Detoxification/Mental Health Diversion Units," as presented under Docket No. 16-0750-0901, with the Temporary rule effective date of October 1, 2008.

Second: Stephen Weeg

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

**RULES OF PANHANDLE HEALTH DISTRICT #1, DOCKET NO. 41-0101-0801 (PROPOSED/
PENDING)**

Section 39-416(1), Idaho Code, allows the district board to adopt, amend or rescind rules and standards as it deems necessary to carry out the purposes and provisions of the public health districts act. At the same time the proposed rule is transmitted to Legislative Services, the proposed rule must be submitted for review and comment to the state board of health and welfare and to the board of county commissioners with the public health district's jurisdiction (Section 39-416(3), Idaho Code).

The current rule, IDAPA 41.01.01.100.07b., requires that the application for a septic system must be accompanied by a building permit. The proposed change would revise septic system application restrictions and allow drainfields to be installed prior to the building of the structure to be served. The permitted and installed drainfield would be valid under the conditions of the permit for five years, provided that the site and its surroundings are not substantially modified.

Motion: Quane Kenyon moved that the Idaho Board of Health and Welfare approve the proposed rules from Panhandle Health District.

Second: Darrell Kerby

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

DIVISION REPORTS

Support Services

- The EPICS replacement project is scheduled for completion by June 30, 2009. Efforts by the project team since the last update provided the Board have been focused on configuring and modifying the core Case Management System, in preparation for the first validation release scheduled for December 1, 2008. In addition, the project is providing continuing support for eCaseFile, and scheduling planning meetings to identify the deliverables and strategies necessary to implement the new business and automated system.
- The Medicaid Management Information System (MMIS) is scheduled for full implementation on November 2, 2009. The Unisys MMIS design document was delivered on October 31, 2008,. Preliminary findings indicate the document is incomplete and does not address nearly 30 percent of the 2,500 comments submitted on draft designs. The gaps in the design suggest the work remaining to provide a quality, complete document will take more than is allotted in the current schedule. Because of this and other concerns, the Department is planning to exercise the remedies available to it under its agreement with Unisys. The project's greatest accomplishment during the past month was the state's delivery of the eligibility system interface design to the EPICS Replacement Project. The implementation date of the new MMIS is dependent on the EPICS Replacement Project. The MMIS Project and EPICS Replacement Project have both committed to start testing in late January 2009.

This milestone date will serve as a schedule checkpoint for identified implementation dates for both projects.

- The Modernization of Child Support Project (MOCS) is scheduled for a June 30, 2009, completion. In July 2007, a decision unit was drafted to request funding to implement technology that would make the Child Support Program better equipped to meet their increasing caseload demands without increasing personnel. This will be accomplished through re-engineering current business processes and leveraging existing technology developed through the EPICS Replacement Project. In October, the project successfully deployed a Vital Statistics interface that allows for the automated exchange of information from Vital Statistics to child support. One of the project's greatest challenges is the Schedule Constraints. This project has seven months remaining of its twelve-month legislative appropriation timeline.
- Two months ago, Governor Otter announced a one percent holdback and asked state agencies to hold an additional 1.5 percent in reserve to hedge against future declining state revenues. State agencies must realize these savings before the fiscal year ends on June 30. Under the one percent plan, the Department needs to contribute \$5.4 million in general fund savings. The additional 1.5 percent requested to be held in reserve equates to a general fund contribution of \$8.2 million. In the Division of Medicaid, savings are being considered by limiting the number of hours for specific services. Changes are also planned through contract adjustments, prior-authorization of mental health drugs, and reducing operating expenses. Behavioral Health plans to reduce adult treatment services and media campaigns. In addition, Behavioral Health is implementing fixed-rate contracts with hospitals that treat committed patients when room is not available at one of the state hospitals. Public Health plans to eliminate a media campaign targeting sexually transmitted diseases, and reduce funds that would have been used to cover increased vaccine costs.

Family and Welfare Services

- Federal compliance requirements are currently being met in all critical Child Support performance areas.
- The Division of Welfare is performing at a higher level in the Benefit Programs than at any time since the 1986 implementation of EPICS.
- Federal standards for processing applications and redeterminations in all Benefit Programs are being met. The Department continues to process applications more quickly through a modification and improvement of business practices.
- A high accuracy in Food Stamp eligibility determinations has been achieved. Idaho is currently third in the nation for Food Stamp accuracy in closures and denials.
- The Division of Family and Community Services has initiated the implementation of automated eligibility determination for the Child Welfare Program. This will provide greater accuracy for eligibility determination and better reporting. This is one of the outstanding items from the most recent update from the 2005 Office of Performance Evaluations review.
- The career ladder for Child Welfare workers has been approved by the Idaho Division of Human Resources and is being implemented. The new positions provide more career options for workers and are factored at a higher salary than previous pay grades. This is an effort to reduce staff turnover in Child Welfare.

- A team has been convened to review and map activities of adoptions. This is the most cumbersome and documentation-intensive area of Child Welfare work resulting in unnecessary delays to permanency.
- The Division of Welfare, Division of Family and Community Services, and Idaho Health Districts are working to streamline daycare licensing and complaint investigation. In addition, they are working to identify costs associated with inspection duties completed by public health.
- The Idaho State School and Hospital is close to meeting timeframes for discharges. The Developmental Disabilities Program has established a crisis response protocol to prevent admissions and will begin training with providers on crisis management beginning in August.
- Idaho State School and Hospital and the Division of Behavioral Health have partnered to hire a forensic psychiatrist. The new State Hospital West will need psychiatric support. The Developmental Disabilities Program has a number of community-based clients who do not have good psychiatric care and the new staff physician will be asked to serve key clients who exhibit dangerous behaviors.

Health Services

- The remodel of Idaho State School and Hospital had been delayed until Spring. Because of the budget holdbacks, the Department will not have funding to staff and operate the planned secure mental health facility.
- The Governor's office brought together a group to develop a recommendation for mental health system planning. The group was tasked with identify options for implementing a behavioral health system redesign, including but not limited to the executive and legislative government; and developing short-term and long-term strategies to begin transitioning to a new system.
- In Medicaid, nursing home costs per unit have increased 13 percent. Expenditures for DD services have increased 4.4 percent while the number of users has declined 4.7 percent, resulting in a cost per unit increase of 9.5 percent. Mental health costs have declined 20 percent.
- The high cost of community hospitalization has required the Department to request a supplement of \$1.8 million. This is the result of no available room at state facilities.
- The EMS physician commission is planning to propose legislation to eliminate Board authority to set EMS fees.

MEDICAID PHARMACY SURVEY RESULTS

The Deficit Reduction Act (DRA) of 2005 was signed in January of 2006 and mandated changes to pharmacy reimbursement for State Medicaid programs. The changes were brought about to correct the issue of inaccurate and inconsistent reporting of drug costs by the manufacturers as well as the commonly used drug compendia. The DRA mandates more accurate methods to calculate and report the Average Manufacturer Price (AMP) which is used in most States to calculate direct reimbursement to retail pharmacies. With the provision of more accurate pricing information, it is the intent of the Congressional Budget Office that States would raise dispensing fees to mitigate the effect that will be felt by retail pharmacies when more

accurate information on the pharmaceutical components is used to calculate the price paid for each prescription purchased.

The Department project to change pharmacy reimbursement has culminated in contracts with Myers and Stauffer to survey retail pharmacies with regards to their actual acquisition costs as well as perform a pharmacy dispensing cost study with participating pharmacies. Actual acquisition cost was selected as a cost component by the Department due to the lack of low level National Drug Code information provided in the DRA requirements. The cost study has been completed. Of the 310 pharmacies invited, 106 participated in the dispensing cost survey. A weighted average cost of \$9.92 per prescription was calculated from the data collected.

The Department has begun the process of evaluating the information gathered from the survey of actual acquisition cost. This process will use the increased dispensing fee component to arrive at a pricing formula that the Department believes will fairly reimburse retail pharmacies and maintain provider participation in the State's Medicaid Program.

FY 2009/2010 MEDICAID BUDGET IMPACT

Governor Otter directed state agencies to hold back one percent of general fund budgets in the current fiscal year, with the potential for additional holdbacks. A one percent reduction in Idaho's Medicaid program totals \$3.8 million in general funds and when combined with the corresponding reduction in federal funds totals over \$12 million. Medicaid budget reductions require careful planning. Implementation is neither quick nor easy. Many budget reductions require approval from the federal government through State Plan amendments, which typically take a minimum of 90 days. Sometimes state statute changes are required and can only be approved through the legislative process. Temporary rules can be promulgated, but also must be formally approved through the legislature. Changes in pricing methodology and in benefits require legal notice and communications to the affected participants. Many changes require computer programming changes to the claims processing system.

There are four primary avenues to cut or control costs in State Medicaid programs.

1. **Provider Pricing.** Most provider payment methodology is established through a combination of state statutes and rules, and can be changed by the state. However, there are five service categories established by federal law. These include: rural health clinics, federally qualified health centers, Indian health centers, and home health services. States cannot make changes to these mandated federal rates.

The Idaho State Medicaid program will make pricing adjustments to certain hospital-based interim rates, to certain supplies in its fee schedule, and will pursue changes in bundled rate methodologies paid to certain community-based providers. Prior to implementing pricing changes, the affected providers will be notified.

2. **Benefits.** There are over thirty different types of service categories paid by the Idaho Medicaid program. A dozen of these services are federally mandated; over twenty benefits are established through state statute. The mandated benefits include rural health clinics, federally

qualified health centers, Indian health services, hospital, nursing facility, physician, laboratory/radiology, early periodic screening, diagnostic and treatment services, medical transportation, family planning, and the state's share of the Medicare pharmacy costs. No changes are currently anticipated in federally mandated benefits.

The Idaho Medicaid program will make changes in the amount of certain benefits participants are able to receive. Changes will be initiated to reduce the maximum amount of hours available under certain community-based programs. No changes are currently anticipated to eliminate any one benefit. Prior to implementing benefit changes, participants will be notified.

3. Eligibility. Individuals must be "categorically" as well as "financially" eligible in order to obtain Medicaid coverage. There are federally mandated eligibility groups as well as optional eligibility groups. Some examples of optional groups include individuals who qualify for home and community-based waivers, individuals who "buy-in" to coverage by paying premiums, and certain women who are diagnosed with breast and/or cervical cancer. Idaho's CHIP program is also an optional eligibility program.

The Idaho Medicaid program does not plan to make any changes in its eligibility policy. Idaho has been ranked the third most restrictive of Medicaid programs in the country with respect to eligibility.

4. Administration/Management. Approximately four percent of total Medicaid spending in Idaho is to cover administrative and management expenses. Within this four percent, Idaho outsources a number of key management responsibilities to contractors. These include accounting services, medical management, and third party recovery activities. Idaho Medicaid will work closely with contractors to maintain performance while containing costs. Additionally, Idaho Medicaid will continue to improve its utilization management oversight responsibilities to ensure medical, behavioral, and pharmacy services are authorized appropriately.

DIRECTOR'S REPORT

- The Regional Directors have been assigned a new role. The greatest need in the Department has been identified in Behavioral Health. The Department is charged in statute as the mental health authority and substance abuse authority. In order to put more effort into community-based mental health and substance abuse treatment, the role of the Regional Directors has been redirected to focus on behavioral health issues. The Regional Directors will continue to interface with their community and area legislators.
- The Legislature created the Health Quality Planning Commission from a group of providers and community leaders to determine what could be done to improve the effectiveness of the healthcare delivery system. The first phase resulting from that group's efforts is the Idaho Health Data Exchange (IHDE). The IHDE is an internet-based facility that will allow electronic movement of health information from a provider who delivered a service to a provider who is currently serving that patient. This allows full disclosure of a patient's information to the current physician. Over the next three years, all of Idaho providers will be connected. There is an opt-out provision for

individuals who don't want to participate. The IHDE was formed as a non-profit and has hired an executive director, who will be payrolled through St. Luke's Regional Medical Center, will be housed at the Department. Operational costs will be paid by the users and will not be dependent on grants or State government.

FOOD ESTABLISHMENT LICENSE FEE PROPOSAL

The district health department provided draft legislation regarding food establishment license fees and requested the Board provide a letter of support to the chairs of the Senate and House Health and Welfare Committees and the co-chairs of the Joint Finance-Appropriations Committee.

Foodborne diseases result in 325,000 hospitalizations and 5,000 deaths each year in the United States. Idaho rules, IDAPA 16.02.19 *Food Safety & Sanitation Standards for Food Establishments*, designates Idaho's seven public health districts as the "regulatory authority" for food safety activities. Idaho's public health districts license approximately 9,000 food establishments each year.

The public health districts' Food Protection Program is based on inspecting each facility once per year unless follow-up or complaint inspections are warranted. Primary activities of the Food Protection Program include inspections of food establishments, complaint response, disease investigation, food establishment licensing, and technical assistance. Benefits to food establishments and the public include maintaining consumer confidence in retail food safety, providing education-based inspections, providing compliance assistance, providing up-to-date food safety information, and helping food establishments respond to, and recover from, disease outbreaks.

The current \$65 license fee was established 6 years ago. It currently supports only 21 percent of the cost of the program. The remaining cost is borne by the public health districts' diminishing allocation of state and county funding. No contract funding from state agencies is provided. Ongoing public health district funding shortfalls over a three-year period have resulted in a loss of approximately 54 full-time positions, elimination of some programs and services, and postponement of critical infrastructure improvements and maintenance. A fee proposal was developed by a committee of industry and agency stakeholders beginning in April 2008.

Proposed fees are based on costs of performing program activities for food establishments. Activities aimed at food safety for the general public are not included for purposes of calculating the fees. The proposed fee structure considers the variable amount of time associated with inspections of certain categories of facilities. Cost data is averaged across all districts. The calculated cost per facility is reduced by the percentage of state and county funding received collectively by the seven public health districts to arrive at the proposed fees.

Motion: Quane Kenyon moved that the Idaho Board of Health and Welfare direct the Chairman to sign the letter of support directed to the chairs of the Senate and

House Health and Welfare Committees and the co-chairs of the Joint Finance-Appropriations Committee.

Second: Dan Fuchs

Vote: Ayes: Fuchs, Kenyon, Kerby, Roberge, Weeg --5
Nays: None

Motion carried.

DATES FOR 2009 BOARD MEETINGS

The Board of Health and Welfare will meet starting in January 2009 and every two months through 2009 on the third Thursday and Friday of the month. The exceptions may be in March and November; those dates will be decided at the next meeting.

ADJOURNMENT

The next meeting of the Board of Health and Welfare is scheduled to be held January 15 and 16, 2009. There being no further business to come before the Board, Chairman Roberge adjourned the meeting at 7:50 p.m.